

## **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PRIORITIES**

The City of Hayward recognizes there are various emerging and continuing needs of lower-income residents of the City that are appropriately met through the use of Community Development Block Grant (CDBG) funds. Such needs include: new housing, housing rehabilitation, public facilities and improvements, public services, economic development and commercial rehabilitation in the Redevelopment Area. The City of Hayward encourages the development of project proposals designed to address these housing and community development needs. All proposed projects must either--

- directly benefit lower-income persons or households (whose income is at or below HUD Low Income Limits for the Oakland Primary Metropolitan Statistical Area); or
- take place in an area where more than 51% of the population is lower income (below HUD Low Income Limits); or
- eliminate slums and blight.

Each project must carry out one of the eligible activities described in the Categories of Need. The percentage of project costs funded by the City will be less than or equal to the ratio of eligible Hayward residents that will be served by the project.

### **CATEGORIES OF NEED**

*Please note: The allocation of funds represents an approximate range of percentages which may be adjusted, upwards or downwards, depending upon the types of projects that are submitted for funding and the recommendations of CAC and staff approved by Council. Therefore, when the ranges are added together they total more than 100%.*

#### **A. New Housing**

#### **Allocation Of Funds: 0-20%**

Preference will be given to homeownership projects. New housing development must be affordable for lower-income households. This category includes the purchase and improvement of land to build homeowner units, rental apartments, and condominiums; the development of housing for the disabled and elderly; and the development of emergency shelter and transitional housing.

Eligible activities by a public agency or private nonprofit entity, include: acquisition (in whole or in part) of real property by purchase, lease, donation or otherwise; site clearance; site assemblage; provision of site improvements; preliminary surveys; conceptual and working drawings; preliminary cost estimates; and application and commitment fees.

Providing financial assistance to first-time homebuyers for home purchase; relocation (if the

unit purchased is currently occupied by a lower income renter household that would be displaced by the purchase); and lead remediation and abatement, as required under HUD regulations.

## **B. Housing Rehabilitation**

**Allocation Of Funds: 20-40%**

The conservation and improvement of dwellings serving lower-income households. This category includes the rehabilitation of housing occupied by lower-income households and minor home repairs to lower-income seniors.

Eligible activities include: the in-depth rehabilitation or minor home repairs needed to upgrade owner-occupied conventional and mobile homes through providing financial assistance to private individuals; paying the labor, materials and other costs of rehabilitation; creating improvements to increase the efficient use of energy, improvements to increase the efficient use of water; financing costs associated with the connection of residential structures to water distribution lines or local sewer collection lines; assessment for utility connections for lower income households; costs of tools lent to owners, tenants and others to carry out rehab; and accessibility repairs.

## **C. Neighborhood Facilities And Improvements**

**Allocation Of Funds: 25-35%**

Acquisition, construction, reconstruction, rehabilitation or installation of eligible public facilities and improvements. Facilities owned by nonprofits are eligible if they are open to the public during normal operating hours and serve all lower income residents of Hayward. Activities that promote energy efficiency may be included, as well as activities that include architectural design features and treatments intended to enhance the aesthetic quality and/or the accessibility of neighborhood facilities and improvements. Types of projects include senior centers, centers for the disabled, curb ramps, removal of architectural barriers, parks, community gardens, playgrounds, and recreational facilities. The City Council has established a priority for facilities providing child care or other youth services.

**D. Public Services****Allocation Of Funds: 0-15%**

HUD regulations do not allow more than 15% of the City's CDBG funds to be spent on public services. Hayward's City Council has limited public service funding to the following services: fair housing, housing counseling services, the investigation of housing discrimination complaints, housing placement assistance to lower-income households and other social services which are directly or indirectly associated with housing.

**E. Economic Development****Allocation Of Funds: 0-20%**

This purpose of this category is to provide jobs for lower income Hayward residents. To that end, expansion activities by for-profit businesses which increase the number of entry-level jobs that can be filled by lower income Hayward residents are eligible under this category. Activities may include acquisition of real property, construction or rehabilitation of commercial or industrial facilities; the provision of working capital; the purchase of equipment. Assistance for these activities may be in the form of grants, loans, loan guarantees, interest supplements and technical assistance. Activities must benefit lower-income persons, either by upgrading commercial areas of lower-income neighborhoods or by providing employment or other benefits to lower-income residents as a result of assistance.

**F. Commercial Rehabilitation****Allocation Of Funds: 20-25%**

This category focuses on the elimination of blight in Hayward's Redevelopment Area. Eligible activities include facade improvements, emergency health and safety repairs, and repair of code deficiencies for commercial properties.